

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: January 31-February 1, 2007

Reference No.: 2.5d.
Action Item

From: CINDY McKIM
Chief Financial Officer

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Transportation Programming

Subject: **FINANCIAL ALLOCATION FOR PROJECTS THAT EXCEED 20 PERCENT OF THE
PROGRAMMED AMOUNT
RESOLUTION FP-06-65**

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve Resolution FP-06-65, allocating \$2,081,000 for the project described on the following pages.

ISSUE:

The project described on the following pages is programmed in the 2006 State Highway Operation and Protection Program (SHOPP) for \$1,700,000. The current estimate for the project is \$2,081,000, exceeding the programmed amount by more than 20 percent. The Department is ready to proceed with the project and is requesting an allocation at this time.

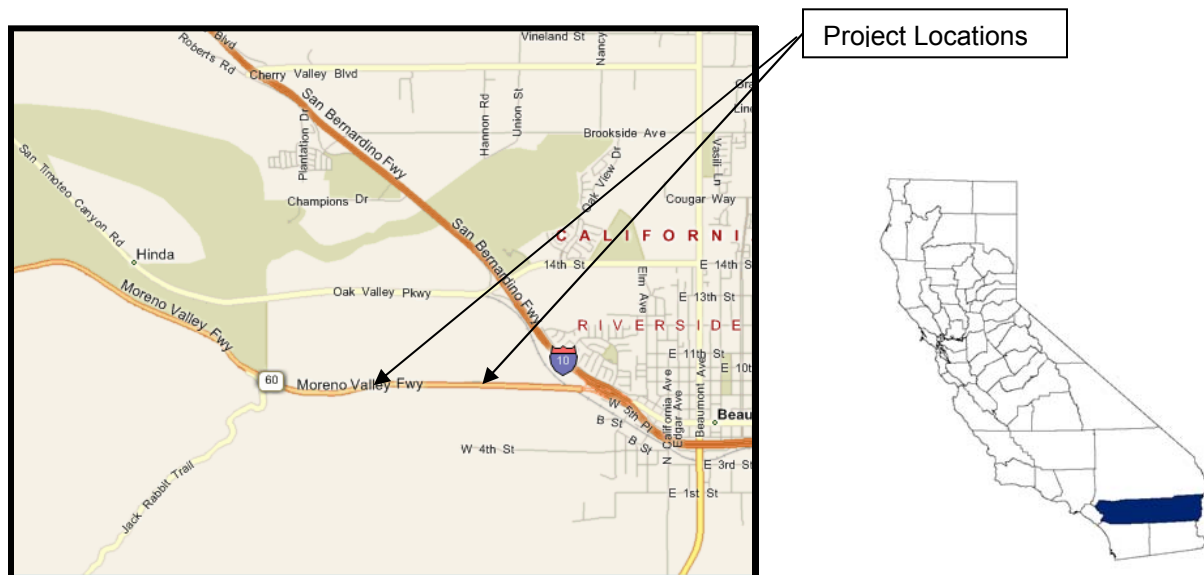
RESOLUTION:

Resolved, that \$2,081,000 be allocated from the Budget Act of 2006, Budget Act Item 2660-302-0890, to provide funds for the project described on the following pages.

Project #	Allocation Amount	Allocation Amount			
County	Dist-Co-Rte	Postmile	Location	EA	Budget Year
			Project Description	PPNO	Item #
			Project Support Expenditures	Program/Year	Program
				Prog Amount	Codes
					State
					Federal
					Total Amount
2.5d.	Projects with Cost Increases Greater than 20 Percent of Programmed Amount				Resolution FP-06-65
1	\$2,081,000		In Beaumont, west of Route 10. Install median barrier and modify drainage inlets.	OG4601	2006-07
				08-0046E	302-0890
				SHOPP/06-07	20.20.201.010
Riverside					
08S-Riv-60					
28.8/29.9				\$1,700,000	\$2,081,000

RECOMMENDATION:

The Department recommends that this request for \$2,081,000 be approved to allow this project to be advertised.

**PROJECT DESCRIPTION:**

This project is located on Route 60 in Riverside County near the city of Beaumont, from 1.6 miles to 0.6 miles west of Interstate 10/Route 60 Separation. This safety project is to install a concrete median barrier and modify drainage inlets.

FUNDING STATUS:

The project is currently programmed in the 2006 SHOPP for \$1,700,000. This request for \$2,081,000 results in an increase of \$381,000 (22 percent) above the current programmed amount.

REASONS FOR COST INCREASE:

The project was accelerated because it was in the best interest of the public's safety. The Project Report (PR) was approved in March 2006. The Plans, Specifications and Estimate (PS&E) was completed in August 2006, with a certified estimate done in October 2006. In comparing the PS&E with the PR, it was determined that the length of the median barrier was underestimated. This contributed to a cost increase in traffic related items, concrete barrier and asphalt concrete. In

addition, drainage related items were unaccounted for in the PR but are now included in the PS&E. Also, during the PS&E phase, an analysis of operational needs determined that the project needs to be a 65-day project, not a 50-day project as specified in the PR. The Department's PS&E guidelines specify that once a contract goes beyond 50 days, mobilization must be increased accordingly. Approximately \$175,000 more is required for this item.

FUNDING OPTIONS:

OPTION A: Approve this request, as presented above, for \$2,081,000 to allow this project to be advertised.

OPTION B: Deny this request and direct the Department to adjust the project to remain within the programmed amount. The Department has considered this option and determined that reducing the scope of work and executing another project will result in overall higher costs, more disruption to the traveling public, and will not effectively improve safety. This is a safety project and includes only the minimum scope of work to accomplish the purpose and need of the project.

RECOMMENDED OPTION:

The Department recommends that this request for \$2,081,000, as presented in Option A above, be approved to allow this project to be advertised.